

RHB USD HIGH YIELD BOND FUND - USD CLASS

The Fund aims to maximise total return by investing in one target fund, i.e. the BlackRock Global Funds – US Dollar High Yield Bond Fund.

INVESTOR PROFILE

This Fund is suitable for:

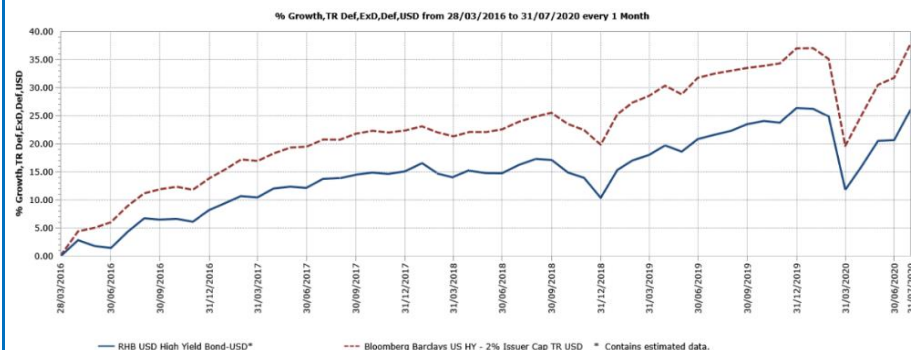
- ‘Sophisticated Investor(s)’ as defined in the Information Memorandum.

INVESTMENT STRATEGY

- At least 95% of NAV: Investments in the USD denominated class X6 shares of the Target Fund.
- 2% - 5% of NAV: Investments in liquid assets including money market instruments and Placements of Cash.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	4.56	8.81	-0.10	-0.22
Benchmark	4.66	10.27	0.62	0.64

	1 Year	3 Years	Since Launch
Fund	3.74	10.83	26.07
Benchmark	4.07	14.16	37.83

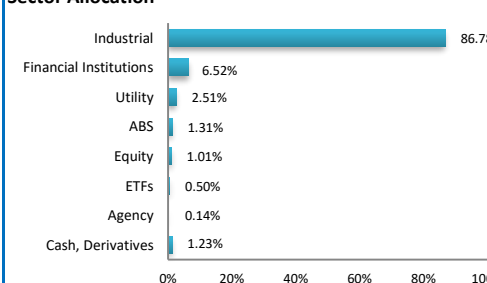
Calendar Year Performance (%)*

	2019	2018	2017
Fund	14.53	-4.17	6.38
Benchmark	14.32	-2.08	7.50

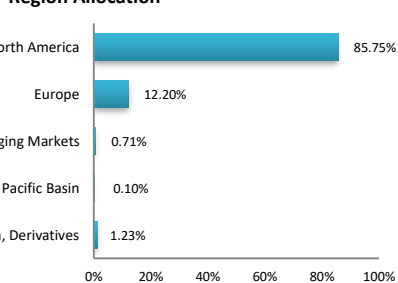
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Region Allocation*



Top Holdings (%)*

ALLIED UNIVERSAL HOLDCO LLC 144A 6.625 (15/07/2026)	0.74
ALTICE FRANCE HOLDING SA 144A 10.5 (15/05/2027)	0.67
KRAFT HEINZ FOODS CO 144A 4.25 (01/03/2031)	0.61
VERSCEND ESCROW CORP 144A 9.75 (15/08/2026)	0.61
SOLERA LLC / SOLERA FINANCE INC 144A 10.5 (01/03/2024)	0.53

*As percentage of NAV

*Source: Black Rock, 31 July 2020. Exposure in BlackRock US Dollar High Yield Bond Fund - 95.73%

FUND STATISTICS

Historical NAV (USD)

	1 Month	12 Months	Since Launch
High	1.0382	1.1224	1.1576
Low	0.9929	0.8549	0.8549

Source: Lipper IM

Historical Distributions (Net)

	Distribution (sen)	Yield (%)
24 Apr 2020	6.5000	6.07
25 Apr 2019	5.4000	5.03
20 Apr 2018	2.2000	2.02
20 Dec 2017	6.5000	5.71

Source: RHB Asset Management Sdn. Bhd.

RHB USD HIGH YIELD BOND FUND - USD CLASS

The Fund aims to maximise total return by investing in one target fund, i.e. the BlackRock Global Funds – US Dollar High Yield Bond Fund.

MANAGER'S COMMENTS

MARKET OVERVIEW

- Per J. P. Morgan, the US HY market was up in June, totaling +0.92% for the month. The pace of the recovery in high yield bond prices slowed in June as investors weighed a Fed backstop and recovery in the economy against an acceleration of virus infections in certain parts of the country that threatens to slow progress on the economic reopening.
- From a ratings perspective, BB rated bonds underperformed both B and CCC rated bonds over the month of June. YTD performance is driven by BBs, outperforming both B and CCC rated bonds.
- US high yield risk premiums tightened 2bps in June, representing a final period-end spread of T+722bps, a yield-to-worst of 7.57%, and an average market-weighted price of \$96.50.

TARGET FUND'S MAIN PORTFOLIO CHANGES

- Per J. P. Morgan, the US HY market was up in July, totaling +4.55% for the month. The recovery in high yield bond prices extended in July amid a firm technical, positive vaccine news, a dovish Fed, progress on a new economic relief package, and better than feared earnings.
- From a ratings perspective, BB rated bonds outperformed both B and CCC rated bonds over the month of July. YTD performance is driven by BBs, outperforming both B and CCC rated bonds.
- US high yield risk premiums tightened 121bps in July, representing a final period-end spread of T+601bps, a yield-to-worst of 6.24%, and an average market-weighted price of \$100.44.

TARGET FUND'S POSITIONING

- The Target Fund's core issuer/credit biases remain centered on cash-flow views, determination of a specific catalyst, and/or idiosyncratic characteristics; top issuer overweights include Boeing (Aerospace/Defense), Altice France (Wireless), and Broadcom Inc (Technology).
- From a credit standpoint, the Target Fund Manager remains underweight BB-rated credits and overweight select CCCs with improving credit positions or attractive yields.
- In addition to credit, the Target Fund Manager has favored positions in equity and equity-like (preferred and convertible) instruments to enhance the Target Fund's total return profile but will tactically implement hedges to mitigate this risk when markets warrant. The Target Fund Manager also hold a tactical allocation to CLOs.
- Generally, the portfolio remained well-diversified with 600+ issuers, an average issuer-level position of roughly 16bps, with the top 25 names constituting 27.16% of the portfolio.

DISCLAIMER:

Based on the fund's portfolio returns as at 14 July 2020, the Volatility Factor (VF) for this fund is 8.3 and is classified as "Low". (source: Lipper) "Low" includes funds with VF that are above 3.3 but not more than 9.6 (source: Lipper). The VF means there is a possibility for the fund in generating an upside return or downside return around this VF. The Volatility Class (VC) is assigned by Lipper based on quintile ranks of VF for qualified funds. VF is subject to monthly revision and VC will be revised every six months. The fund's portfolio may have changed since this date and there is no guarantee that the fund will continue to have the same VF or VC in the future. Presently, only funds launched in the market for at least 36 months will display the VF and its VC. The VC referred to was dated 30 June 2020 which is calculated once every six months and is valid until its next calculation date, i.e. 31 December 2020.

A Product Highlights Sheet ("PHS") highlighting the key features and risks of the Fund is available and investors have the right to request for a PHS. Investors are advised to obtain, read and understand the contents of the PHS and Information Memorandum dated 8 March 2016 and its supplementary(ies) (if any) ("collectively known as the Information Memorandum") before investing. The Information Memorandum has been registered with the Securities Commission Malaysia who takes no responsibility for its contents. The SC's approval or authorization, or the registration of the Prospectus should not be taken to indicate that the SC has recommended the fund. Amongst others, investors should consider the fees and charges involved. Investors should also note that the price of units and distributions payable, if any, may go down as well as up. Where a distribution is declared, investors are advised that following the issue of additional units/distribution, the NAV per unit will be reduced from cum-distribution NAV to ex-distribution NAV. Any issue of units to which the Information Memorandum relates will only be made on receipt of a form of application referred to in the Information Memorandum. The Fund are only offered to "sophisticated investor" as defined in the Information Memorandum. For more details, please call 1-800-88-3175 for a copy of the PHS and the Information Memorandum or collect one from any of our branches or authorised distributors. If in any doubt, consult your banker, lawyer, stockbroker or an independent financial adviser.

The Manager wishes to highlight the specific risks of the Fund are management risk, liquidity risk, country risk and currency risk (of RM class only) and the specific risks of the target fund are fixed income transferable securities, distressed securities, delayed delivery transactions, sovereign debt, bond downgrade, derivatives risk and currency risk. These risks and other general risks are elaborated in the Information Memorandum.

This Fund Factsheet is prepared for information purposes only. It does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive it. Past performance is not necessarily a guide to future performance. Returns may vary from year to year.

This Fund Factsheet has not been reviewed by the SC.

RHB Asset Management Sdn Bhd (174588-x)

Head Office: Level 8, Tower 2 & 3, RHB Centre, 50400 Kuala Lumpur

General Line: 603-9205 8000

www.rhbgroup.com



RHB Asset Management Sdn Bhd (174588-X)

